

Kentucky Arts Council
September 22, 2006
Frankfort Civic Center
Frankfort, Kentucky

Members present: Todd Lowe, Everett McCorvey, Stephanie Bateman, Wilma Brown, Nancy Cooper, Jean Dorton, Kelly Knight, Phyllis Liebman, Gail Russell, Greg Shumate, Retha Tarter, Randall Vaughn, James Voyles

Members Absent: Dean Jones, Jo Marshall, Ann Schell

Others Present: Staff: Lori Meadows, Nancy Atcher, John Benjamin, Mark Brown, Debra Catlett, Sandy Etherington, Bob Gates, Beau Haddock, Vallorie Henderson, Connie Hicks, Ed Lawrence, Sandie Lawrence, Amber Luallen, Sara Milligan, Melissa Nesselrode, Fran Redmon, Charla Reed, Maraskeshia Smith, Dan Strauss

Commerce Cabinet Staff: George Ward, Secretary; Lindy Casebier, Executive Director of Arts and Cultural Heritage; Sarah Hall, Assistant General Counsel

Guests: Mary and Ivan Potter – Hickman County Arts Council; Scott Dowd – Director of External Affairs for the Kentucky Opera; Glema Mahr; Cecilia Wooden

CALL TO ORDER AND WELCOME

Chairman Lowe called the meeting to order and thanked everyone for attending. He congratulated Everett McCorvey on his appointment to the Board of the National Assembly of State Arts Agencies, which was made official during his attendance at the meeting in Alaska.

QUORUM

With fourteen of the sixteen members in attendance, the Chairman declared a quorum to be present.

APPROVAL OF MINUTES

Retha Tarter noted a correction to the minutes on page 6. “Audio prescription” should be “audio description”.

With this correction made, a motion was made by Jean Dorton and seconded by Stephanie Bateman to approve the September 22, 2006 board minutes. The motion was approved without objection.

COMMERCE CABINET REPORT

Lindy Casebier introduced Secretary George Ward who presented the report from the Commerce Cabinet. Secretary Ward stated he had an “arts week”, having visited Renfro Valley and the Kentucky Museum Hall of Fame. He also attended the board meeting of the Kentucky Center for the Arts, which went well. Stephen Klein is doing a wonderful job for the Center. Secretary Ward announced that the Kentucky Center is looking for funding to maintain the facility, which is a wonderful part of the arts community and the state. Secretary Ward stated he will be making an effort to become more visible at Kentucky Arts Council Board Meetings and that he was happy to be present.

CONSENT AGENDA

Review of Abstentions: Chairman Lowe asked board members to review the Abstentions list and inform the staff of necessary additions and/or deletions.

Additions to the abstentions list:

Everett McCorvey - Lexington Center Corporation

Grants & Programs:

Organizational Technical Assistance

Product Development

Executive Director Lori Meadows gave an overview of the Organizational Technical Assistance Grant Program. Retha Tarter asked whether it was standard to award one grant per facility. Lori stated that normally it is one grant per organization; however there were special circumstances reflected in this application round. Pennyroyal Arts Council requested additional funding to allow an additional staff member to attend following the resignation of their Education Director. Upon determination that all eligible grants could be funded, and that there were surplus funds available in the program Pennyroyal was awarded an additional grant. Everett McCorvey asked why the Lexington Center was ineligible. Lori responded that this grant program is specifically for people to attend the Southern Arts Federation's booking conference and the Lexington Center asked to attend another regional organizations conference.

Nancy Atcher gave an overview of the Product Development Grant.

Greg Shumate made a motion, seconded by Jean Dorton, to approve the Consent Agenda. The motion was passed without objection.

REPORT ON OPERATING SUPPORT TASK FORCE

Chairman Lowe stated that in Randall Vaughn's absence he would provide the overview of the Operating Support Task Force, which met to review the progress to date. Although the task force is moving ahead, this is a very complicated process. The Task Force is considering a proposal to combine the Challenge and Operating Support Grants into one program; the issue of matching earned and unearned revenues vs. operating expenses is under consideration, and moving to a revenue-based match would encourage organizations to grow their revenues, and not expenses. Focus groups will be conducted with grant recipients in five or six communities. Some of the leaders among the operating support grantees have been invited to listen to the information summary and the draft proposal, and provide input on issues the task force may not have considered.

Chairman Lowe noted that at the September meeting he discussed the need to have a philosophical discussion regarding how the grant programs help us meet our mission. A block of time has been set aside to revisit our thinking and make sure we are all on the same page. Jean Dorton stated that the operating support grants are very complicated. Lori stated that board materials included information regarding issues the task force has

been reviewing. Todd thanked Lori and Dan Strauss for their hard work and support. James Voyles asked if the task force was addressing the situation with the art centers and the larger share of art council resources they are commanding. Chairman Lowe stated this issue is a good part of the drive for the whole discussion and will be discussed later during the meeting. The funding for the grant programs has either remained flat or decreased slightly over the last several years but applications continue to grow, which is a real challenge.

REVIEW OF EXECUTIVE DIRECTOR

Chairman Lowe asked the Executive Director to provide a verbal review of the six monitoring reports that had been submitted since the last meeting. These specific reports pertain to the Global Ends Statement and the other five Ends Statements, and how the KAC grants and programs support these ends. Lori stated that she had provided an overview of what work had been done over the past year to move us toward those ends. Many of these items are included in the weekly reports which are prepared for the Commerce Cabinet and copied to the board. She welcomed any questions or comments about the monitoring reports.

1.0 Global Ends Statement: Chairman Lowe remarked that it is important for us to take note of the statement “If successful, the people of the commonwealth will understand that *the arts* refers to both formal disciplines as well as informal”. He mentioned that it is important for the board as a group to recognize that we are promoting a very broad definition of the arts in order to meet our mission. Lori responded that in the past few years the agency has moved more in that direction and that was a very positive, strong move. This relates to the broader issue of whom the Arts Council actually serves: the organizations and the artists of the state, by providing funding and services for them; or the people of the commonwealth. As a public agency, the Kentucky Arts Council is here to serve the people of the commonwealth and we work in partnership with our grantees to do that. That means we need to look at the arts in a broad way.

1.1 Kentuckians Value the Role of Arts in Society: Lori stated that the agency is increasing the work it does with artists, including enhancement of business skills. Demonstrating how the development of products, whether tangible or looking at organizations and the programming they produce as other types of product, can be a key factor in supporting the economic development of communities.

1.2 There is Support for Arts Education in Kentucky: Lori stated that arts education is an area in which the agency works across programs to meet the end, and a tremendous amount of work focuses on this area. There are so many opportunities for partnerships, working with the schools, and other arts education initiatives that more staff members could easily be assigned to this area. Chairman Lowe responded that the amount of work the agency does in arts education without a lot of funding is impressive. Lori noted that a lot of the NEA mandates are focusing on Arts Education. Chairman Lowe stated that this is a particular challenge for the regional and state arts agencies. The new money being allocated by the NEA is always project specific and there are no additional operating support funds. Therefore, when the agency receives funding from the NEA along with it

comes additional work and required staff time and there is no compensation for that. The positive side is that it gives us another project to implement throughout the state. This change in NEA funding during the current fiscal year has meant a reduction in unrestricted basic funds, and an increase in special project funds. At the NASAA conference Chairman Gioia discussed this issue. Everett McCorvey stated that Chairman Gioia made it clear that any new money received by the NEA will be for special projects and it is difficult to ask Congress for new money for programs already in place. Chairman Gioia feels new projects are the way to garner more funds from Congress, which is a challenge but is also a way to raise awareness. Lori stated that at the congressional visits in March 2007 all state arts agencies have been encouraged to go in with a united message, and NASAA staff will be working to develop that message. Nancy Cooper asked whether the NEA would continue funding a special program every year if it was found to be successful. Lori replied that there are currently two different categories of special funding: Challenge America and American Masterpieces. Every year a proposal is submitted within those categories, but it covers different projects or initiatives.

1.3 There is Efficient Statewide Delivery of Arts Programs and Services: Lori stated that this end focuses not only on how the arts council works with organizations and artists to provide arts opportunities to them, but also on helping organizations and artists develop their skills and increase their capacity so they can provide arts opportunities to the public. The council works on two different levels, both within the agency and out of the agency working with our partners. Chairman Lowe questioned whether the word “efficient” in this statement is the best term to use.

1.4 Artists Live and Work in a Supportive Environment: Lori stated this is a very important area of focus for the Kentucky Arts Council. At last September’s board meeting special guests were invited to present information on artists living and working in a supportive environment. One way to bring public notice to the work of artists is to support public art, such as the Gary Bibbs’ sculpture outside the Transportation Building, and the Erika Strecker/Tony Higdon piece that will be installed this fall. Another way the Kentucky Arts Council works in this area is to give technical assistance to artists, and help them develop their business skills. Jean Dorton stated that she was able to attend the New York International Gift Fair and was able to observe first hand how the council supports artists. It was a great experience, and she encouraged others to attend.

1.5 Public Policy is Favorable to the Arts in Kentucky: Lori stated this will be addressed when we discuss what are we doing as an agency to make sure the arts are recognized and effective across the state. This monitoring report focused on advocacy because it is such a crucial issue in ensuring that public policy is favorable to the arts and it provides an opportunity for the council to increase its visibility, which is extremely important.

Lori asked if the format being used for the reports was valuable to the board. Chairman Lowe stated they were valuable.

Open Records/Open Meetings

Chairman Lowe introduced Sarah Hall, Assistant General Counsel for the Commerce Cabinet, and explained she was here to help the board understand the Open Records/Open Meetings laws.

Sarah Hall thanked Secretary Ward, Lindy Casebier, Chairman Lowe and Lori Meadows for inviting her to speak on the issue. She stated that she had the pleasure in the last six months to work with Lori on a number of global issues concerning the functioning of the Arts Council. Because she has been with state government well over 20 years, she has worked with many boards and commissions, and one of the functions both legally and in training is to ensure that agencies are in compliance with state laws. The statutes that govern the Kentucky Arts Council are under KRS 153:210-235 and 153:600-620 which pertain to the State Poet Laureate and Kentucky Writer's Day. These statutes comprise the total scope of the Kentucky Arts Council's authority. Ms. Hall stated that she was pleased to have made a presentation to the entire staff of the Kentucky Arts Council, and wanted the board to be aware that she had worked with Lori and the staff at length on two different days training them on the same issues that she would cover for the board. She reminded the board that as a public agency the primary goal of the Kentucky Arts Council is to serve the public. State funds are received from the general assembly and that money belongs to the taxpayers; the agency's client should always be the taxpayer of the commonwealth. That is the first and foremost goal both from a legal concept and a governing concept because of the KAC's role as a public agency. The agency also receives federal funding from the National Endowment for the Arts, and for statutory purposes the goal is to promote a broadly conceived state policy of support for the arts. As an agency the courts determined the council as a creature of statute. Anything outside of the scope of the statutes is null and void and subject to non-enforcement by the courts in the event of any action ever taken to challenge the work of the agency. In terms of interpretation the council has very broad powers and duties.

The statute defines "arts" and looking at the monitoring reports you cannot exceed that definition. When you look at developing monitoring reports, goals and concepts this is the law, which you must follow. If the council wants any more definitions legislation must be developed to define them. KRS 153:220 which states "The duties and functions of the council," notes that the council serves as the sole agency in the commonwealth for administration of a state arts plan.

The agency can hold public and private hearing for the purpose of furthering its objectives. Public hearings may be looked at as grant panels and private hearings should be for adjudicatory panels where some issues, such as discussion of an individual's work, can be closed to the public. The ability to conduct private hearings has been given to the agency by statute. The agency has the power to adopt regulations; statutes are laws enacted by the general assembly. Statutes and regulations both have full force of the law. The council has the ability to produce law through a promulgation process; this is to give proper notice to the public regarding agency processes. We are working to develop and write regulations for all of our programs. The Administrative Regulations Review subcommittee of the LRC has assigned the Arts Council a series of regulatory numbers

beginning with 300 KAR:010. We are working to put all programs into regulatory process and the board will need to vote to approve those regulations.

Open records and meetings are governed by the state Attorney General's Office. By law, the Attorney General's office is the overseer of records and meetings. If someone is not satisfied with an agency's handling of open records/meetings they can appeal to the Attorney General's Office, and that decision can then be appealed to the courts of Kentucky. The mission of the open meetings/records law is that all public policy is public business.

There are two types of council meetings: a regular meeting and a special meeting. A regular meeting must have a set schedule and it is important to determine when you are going to meet. It's important, but not required, to put agendas on the website. Minutes of a regular meeting should be posted on the agency website. Special meetings require that a special notice be given. The media must be informed, information must be posted in the building where the meeting will be held, and an agenda must be available. Meetings are defined to include ad-hoc committees, subcommittees and any casual gatherings. Personnel and adjudicatory panels can fall under closed session as long as final action has not taken place. The board must vote on the issue discussed in closed session during the public portion of the meeting. Phone conferences cannot be used for special meetings; however, video conferencing can be.

Chairman Lowe asked if having coffee and donuts before the meeting is considered part of a public meeting. Sarah replied that it was not considered part of the public meeting because it was before the scheduled time of the meeting. Everett asked whether the Governor's Awards in the Arts nomination committee meeting falls under "public and private hearings for the purposes of furthering the objectives of the council and programs." It was determined that this could be considered a private hearing, as no final action would be taken.

GOVERNANCE PROCESS DISCUSSION OF END STATEMENT

Chairman Lowe stated that the discussion would focus on how operating support grants and programs help the agency meet its mission. Ends Statement 1.0 is the mission of the Kentucky Arts Council, which states, "The people of Kentucky value and participate in the arts". The discussion will consider how the goals of the Kentucky Arts Council relate to those of the Commerce Cabinet; focusing on the Challenge and the General Operating Support Grant programs. Chairman Lowe asked Lori and Dan to provide some background information on how the current structure of the grant programs have developed and changed over time.

Dan gave an overview of the history of the operating support categories, referring to handouts of the Challenge and General Operating Support Grants. The original concept of the Challenge Grant was to empower the grantee organizations by way of matching their fundraising efforts with grant funds. The total amount of money required early on to match these grants was not as significant as it is today, and the arts council has been criticized in recent years because of its inability to match challenge grants at 25%. In the

'90s the Arts Council was able to provide matching funds at an average of 8%. After the Challenge Grant program was started the legislature realized it benefited large organizations that had access to metropolitan populations, ahead of smaller organizations in more rural areas. At this time, a second category was put into place for organizations that exist in a limited fund raising environment. This was the Arts Development Program, which was later changed to General Operating Support.

Lori stated that the first Operating Support Task Force was convened in 1984, and that the issue being addressed is not a new one. It's important to periodically revisit what and how the agency is doing its work. Lori provided an overview of the reductions that had been received in the state budget and the panel process used for the Operating Support program. She then presented the KAC goal hierarchy, explaining how the purpose, mission and ends of the agency help guide the work of the agency. The following questions were posed: In what direction does the Arts Council want to move? Are we moving in the right direction? Are the programs that should be focus areas in place?

Chairman Lowe asked for feedback regarding the current work of the board, posing the following questions: Are we hitting the mark on the potential changes we might make and will those continue to serve the people the way our mission demands? What is the board's role in this determination? When issues are brought before the board are you given the amount of input you would like? Do we want to have greater input and discussion?

The following members commented:

- Wilma Brown stated that the role of the KAC in funding issues should have something to do with the people of Kentucky and getting arts to the people. If we all agree with this point, she does feel that the KAC has moved in the right direction.
- Nancy Cooper stated that instead of having less money available in Operating Support, this should be where funding is increased. We should reward success, and our purpose is not to fund startups. There are successful organizations all around the state and if we continue to take money away, they cannot continue to be successful.
- Chairman Lowe asked the decision to move funds from the Challenge to Operating category should be made, whether the board should be involved in that issue, and what the relevancy of the board is as the new regulations are developed. If our goal is to set the high level mission we need to have an opinion about what influence we have on the agency.
- Everett stated that the agency has been successful in growing the arts organizations in Kentucky, which have expanded in the last 10 years throughout the state. The challenges come when we have grown these organizations, and funds are not sufficient to support them. If a large amount of our money is going to organizations that have been successful how do we encourage organizations to continue to grow without providing them with additional funds? Should the board ask the state for additional funds? If the state does not give the agency more funding what do we do internally to help the smaller organizations?

- James Voyles stated his understanding that the board's job as far as staff is concerned is to recommend the Executive Director and then have nothing else to do with staff. As far as the larger role, it should be setting policy and advocacy. He questioned how the agency could continue to do more and more with less and less, which impacts not just the dollar amounts, but the staff and personnel. The staff is doing more with less people, and we keep asking the legislature for more money and don't receive it. We are competing with all other services and the arts do not rank at the top; legislators are concerned with safety and health. He noted a particular interest in the possibility of raising money from private individuals. This is not possible with the current foundation that has been enacted, because most taxpayers are not interested in giving money that is going to be controlled by the legislature but would like an opportunity to give funds which would provide a tax advantage. There have been individuals who wanted to give to the arts, but there was no framework to receive that money which would put it beyond the legislature's control. He suggested that the agency think about substituting the existing foundation for one that would be tax exempt, thereby allowing individuals to support the arts council.
- Lori stated that the council has agency funds, which are monies that do not come from the state or the NEA, but are raised in other ways such as workshop fees and gate admissions. The arts council did experience a loss of agency funds this year because they were removed from the agency and placed in the general fund.
- James stated if these funds are beyond the legislature's reach we could avoid the problem of the funds being removed.
- Chairman Lowe asked how the board felt about voting on packages of grants with limited knowledge regarding how the recommendation was made. He wondered if the board had enough information to feel that it was providing more than just a rubber stamp.
- Nancy stated she thinks it is a rubber stamp. The council approves but doesn't know what the funds are really for. If the board did have this knowledge, it would be in the position of saying who should be funded, and this is not what the board wants. When the panel recommends grants for approval, the board should approve them.
- Chairman Lowe stated that this ties in with the question of whether the board as a group is comfortable with the way the grants are structured, including the potential changes. He wondered if the members felt they were structured so that when they vote on individual grants they feel that the mission of the agency is being met.
- Everett stated that a board member is chairing or co-chairing each panel, so there is board participation in the process even if the board member is not voting. A board member is present watching the process, and if there are concerns the board member can bring it back to the full board to decide if the process was carried out fairly. An issue to consider is how much micro-managing the board wants to do, and how much time it has to do that.
- Chairman Lowe stated that these discussions need to take place because as allocations change the board is getting more questions. Now, when a question comes up regarding why money was adjusted between challenge and operating

support the question can be answered clearly. The board needs to be prepared to answer the question as well.

- Greg Shumate stated that we need to stay focused on what the board's job is relative to the statutory framework. The board should be focused on policy and oversight, and is providing the oversight function by reviewing what the panel decides. The board should not be substituting its judgments for the panels'. There are always qualified panelists to make the decisions. The oversight is important, but he would like to be involved in the decision regarding how much money is allocated to what program. That is a policy decision, and we should address the following questions: Do we want to try to encourage geographic diversity? Should we make sure all the funds don't end up in Jefferson County? Should we make sure there is enough money to go around the state? Another area of input is what the panel is evaluating. The legislature gives the agency a block of money and tells us to distribute it. Our job as appointed by the statutory process is oversight. If the legislature ever questioned the process they might determine the board is not doing its job in providing direction regarding policy and oversight. The board should have more input in setting policy, which includes moving money from one program, which substantially impacts the organizations that would benefit from that decision. Taking money from the bigger categories means less money from the larger organizations and more for the smaller organizations. As a board we need to decide how the money is allocated, then the staff and the panel can go about carrying out the policy. The staff does provide continuity.
- Phyllis Liebman stated she agrees with Greg on our role being at the front end. By the time we receive panel recommendations we have put a lot of people through a lot of work. If we participate in the front end and state our expectations, then adjustments can be made if needed. The board needs to be very involved in the front end with expectations: Where are we aiming? How much do we want to commit? How do we bring meaning to everyone in Kentucky in terms of the 2010 games? Do we have one-time programming where we could have an international juried event focusing on the games? She remarked that we should be involved early enough for the agency to go to the legislature and ask for funding. If we focus on front end we could open up opportunities.
- Lindy stated this is the perfect opportunity to begin that discussion, because there is so much talk in the Commerce Cabinet concerning the 2010 games. At the end of October the arts agencies will have the opportunity to go before the Budget Review subcommittee. The legislators will see the need to increase funding particularly in areas where funding has decreased, because this is a perfect opportunity to showcase Kentucky.
- Nancy stated that, when the board is making recommendations, members should be able to state priorities focusing on what we want that money to accomplish.
- Lori stated that we have several mandates from the federal and state governments. A current mandate is the Lincoln Bicentennial Commission projects. This is going to be a major initiative for the Kentucky Arts Council, and we can look at ways that we can combine those mandates. We are using some of our special NEA money to help with a planning process with other arts and cultural groups in

the state, looking ahead to events like the equestrian games. This project is possibly big enough to enable us to get NEA support. It's really important for the staff to receive input from the board and know that this is considered a priority. Every few years, as part of our mandate from the NEA and to receive their funding, we have to develop a new strategic plan. Next year we will begin holding public input meetings, which are a required part of that process. It would be wonderful if the board is directly involved in the strategic plan process and helps guide the arts council's direction for the next few years.

- Retha Tarter stated that another way to govern is serving as a chair or co-chair of a panel. If she had a concern with the way a panel was being conducted, I would go straight to Lori and ask her to take care of the problem. The problem stops with Lori as long as board members are doing their jobs as the panel chair or co-chair. The word efficient is a problem because we do not have the resources to have efficient statewide delivery of the arts.
- Chairman Lowe stated that all board members agree a better job at front-end recommendations could be done.
- Greg noted that there is not much budget guidance. In the past the board has not had much interest in working on the budget. An idea would be to have a budget committee of staff and board to determine where we think the most impact would occur.
- Lori stated that the staff makes preliminary allocations before all the applications are submitted and adjust accordingly. Chairman Lowe asked Lori to explain how the allocations are made once the funds are finalized. Lori explained that state appropriations are Personnel, Operating and Grants/Programs. Determining factors include the amount of money expended the prior year, mandates, history and trends, then adjust accordingly. Chairman Lowe asked how the staff and the board would feel assisting with the budget. Lori stated that the board needs to understand how early the process needs to begin and that it cannot take place just at board meetings. The fiscal year does not close out until June 30th, and we are not aware of what total expenditures have been made in all categories until that date. Chairman Lowe asked the board if they could be better advocates for the arts council's needs if they knew more about the budget.
- Wilma stated that she is in favor anytime the board has input on a budget. But she is more concerned about the board giving some indication of their overall philosophy.
- Greg stated that he feels policy comes out through the budget, and that's why it's important for the board to be a part of the budget discussion. The Chairman of this board could appoint himself and two members from the board, Lori, and a member from her staff to a budget committee. On an annual basis the board should approve the budget, and deviations from the budget should be brought back to the board for another approval process. "Substantial" should be defined so the Executive Director's hands are not tied. The budget process forces the discussion; the board is here to be stewards of the legislature's money. Lori informed the board that the state cannot carry over funds from year to year. There is a period at the end of the year where there may be an opportunity for some additional initiatives based on money that has not been expended. There is not

sufficient time to hold a board meeting before that happens. Chairman Lowe stated the board should express the priorities if there are additional funds remaining. Everett asked how far out we would need to do this. Lori stated this not something that happens all at one time. Lori suggested that the board be provided the '07 budget in the December meeting. She stated that it would be helpful if the board could tell the staff how much detail they would like to include.

- Chairman Lowe stated that we would like to have a two-hour block of time at the December board meeting to discuss what the board believes in. Lori noted that it might be helpful for the board to have an overview of what the NEA is interested in funding. Chairman Lowe stated that once the board identifies its beliefs, it can start asking for support. An advocacy strategy should be put into place, and the board should note a few critical items by the next budget session that have to be funded beyond our current means.

NOMINATING COMMITTEE

The nominating committee was asked to submit names of future nominations for the board. The committee noted that it did not have the time or resources to vet the names and that it was not in a position of endorsing or recommending. The committee recommended the current board members whose terms expire: Stephanie Bateman, Nancy Cooper, Ann Schell and James Voyles. Each individual has expressed an interest to continue to serve if asked. Arts Kentucky also provided several suggestions: Wes Lites, Ken Clay and Ted Steinbach. Other names suggested are Ed Lane, Jack Gerrard, Elsie Kay Harris, Mary Michael Corbett, Zev Buffman and Gary Johnson. The committee was not been able to affirm that all individuals would serve if asked. Chairman Lowe stated that several of the names are on file with supporting information and that he would work with Lindy to make recommendations to the Governor.

GOVERNOR'S AWARDS

The Governor's Awards committee consists of Everett McCorvey, Nancy Cooper, Kelly Knight, Retha Tarter, Randall Vaughn, Todd Lowe and Gail Russell. The nomination deadline is September 1st, and the committee needs to meet so a recommendation can be made to the Governor. It was noted that some arts councils around the nation use this event as a fund raising effort.

EXECUTIVE DIRECTOR'S UPDATE

- The Arts Council will be holding Community Breakfasts around the state to celebrate the Kentucky Arts Council and the NEA's 40th anniversaries. October is also National Arts and Humanities Month. The staff will also ask for input from the community regarding how the arts have grown in their communities. In the afternoons we will have informational workshops to inform the public about arts council programs.
- Lincoln Bicentennial grant programs will consist of Project, Touring, and Product Development Grants. The agency should be receiving the first award payment soon from the Commission.

- The arts council is currently working with Hodgenville and Springfield on commissioning sculptures. The sculptures are to be in place by February 2009, when the national activities kick off in Hodgenville.
- Ten percent of the funds from the Lincoln Bicentennial Commission can be used for administrative costs, and the Kentucky Arts Council will be contracting with someone to manage the various elements of the project through a personal service contract. The Executive Staff Advisor's position has been filled by Suzanne Gray who will begin October 1st.
- The first diversity meeting, a joint committee with the Historical Society, was held August 16th. Charon Battles from Pennsylvania Council for the Arts gave the presentation.
- Kentucky Arts Services OnLine (KASOL), the new electronic grants system, will go live in November. The amount of staff work required was much more significant than originally anticipated. The first cluster is for the adjudicated programs with a March 15th deadline with the remaining programs to follow.
- Governors Awards are tentatively schedule for February 14th, and Legislative Arts day February 13th.

Secretary Ward commented that \$2 million was put into the state budget for a Lincoln memorial to be placed at the waterfront park in Louisville. Ed Hamilton has been commissioned to create this piece.

Chairman Lowe announced that the next board meeting is scheduled for December 15th in Louisville. The June 16th meeting is scheduled for Berea and he hopes that all board members will be able to attend. At the next meeting Chairman Lowe would like a draft of the Annual Report.

ANNOUNCEMENTS

Everett encouraged all board members to go on NASAA's website. NASAA is planning on implementing a new strategic plan, which will focus on board development. This will be very helpful to NASAA because the board will be the backbone of the organization in their states and nationally. Programs will be put in place to help board members in the state agencies so they can become advocates for the arts in their area. A new term presented was "churn," which refers to the turn over in arts agencies. Some of the buzzwords at the conference were: public value, economic development and creative economy. Kentucky Arts Council board members will receive an invitation in the mail to become NASAA affiliate members. NASAA stressed the importance of knowing the legislative agenda. The next NASAA meeting is scheduled for December 2007.

Chairman Lowe thanked Everett for representing the board at the NASAA meeting.

Visitor Ivan Potter provided an update for the Hickman County Arts Council, which hosts a writers day and a book festival.

Chairman Lowe stated that the Southern Arts Federation's Performing Arts Exchange will be in Louisville in September 2007. There will be presenters from at least 20 states.

Secretary Ward reminded everyone to watch the special on the World Equestrian Games.

Everett asked the Board for suggestions and comments on the meeting.

- Retha enjoyed the presentation by Sarah Hall and felt it was very informative.
- James thought the meeting went well and congratulated the chairman on organizing it. He stated his appreciation for the information and the open forum and feels more a part of the effort. He also appreciated the presence of Secretary Ward and Sarah Hall.

Chairman Lowe thanked Secretary Ward and the staff for attending. He expressed his hope that the staff realizes that this board wants to be engaged and supportive, and adjourned the meeting.